

MUNICIPAL FINANCIAL INFORMATION RETURN

For the Year Ending December 31, 2020

Municipality Name: TOWN OF MILK RIVER

CERTIFICATION

The information contained in this Financial Information Return is presented fairly to the best of my knowledge.



Jon Hood
Print Name

April 12, 2021
Date



INDEPENDENT AUDITOR'S REPORT

To the Members of Council of the Town of Milk River

Opinion

We have audited the municipal financial information return of the Town of Milk River (the Town) for the year ended December 31, 2020.

In our opinion, the accompanying financial information return present fairly, in all material respects, in accordance with the accounting principles described in the Municipal Information Return Manual prepared by Alberta Municipal Affairs.

It is understood that this report, as requested by the Minister of Alberta Municipal Affairs, is to be used primarily for statistical purposes. We have issued an audit report dated April 12, 2021 on the financial statements of the Town for the year ended December 31, 2020 and reference should be made to those audited financial statements for complete information.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Information Return* section of our report. We are independent of the Town in accordance with ethical requirements that are relevant to our audit of the financial information return in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction of Use

We draw attention to the accounting principles described in the Municipal Financial Information Return Manual prepared by Alberta Municipal Affairs, which describes the basis of accounting and the significant differences between such basis of accounting and the accounting principles. The financial information return is prepared to assist the Town to meet the requirements of the *Municipal Government Act (Section 277(1))*. As a result, the financial information return may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Information Return

Management is responsible for the preparation and fair presentation of the financial information return in accordance with Municipal Financial Information Return Manual prepared by Alberta Municipal Affairs, and for such internal control as management determines is necessary to enable the preparation of financial information return that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

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Auditor's Responsibilities for the Audit of the Financial Information Return

Our objectives are to obtain reasonable assurance about whether the financial information return as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial information return.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial information return, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial information return, and whether the financial information return represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Lethbridge, Alberta
April 12, 2021

Shawn Cook
Professional Corporation

Chartered Professional Accountants



FINANCIAL POSITION

Schedule 9A

	Total
	1
Assets	0010
Cash and Temporary Investments	0020 2,486,443
Taxes and Grants in Place of Taxes Receivable.....	0030
. Current	0040 75,920
. Arrears	0050 32,957
. Allowance	0060
Receivable From Other Governments	0070 151,351
Loans Receivable	0080
Trade and Other Receivables	0090 29,343
Debt Charges Recoverable.....	0095
Inventories Held for Resale	0130
. Land	0140 137,968
. Other	0150
Long Term Investments	0170
. Federal Government	0180
. Provincial Government	0190
. Local Governments	0200
. Other	0210
Other Current Assets	0230
Other Long Term Assets	0240
	0250
Total Financial Assets	0260 2,913,982
Liabilities	0270
Temporary Loans Payable	0280
Payable To Other Governments	0290 11,414
Accounts Payable & Accrued Liabilities	0300 172,001
Deposit Liabilities	0310
Deferred Revenue	0340 28,771
Long Term Debt	0350
Other Current Liabilities	0360
Other Long Term Liabilities	0370
	0380
Total Liabilities	0390 212,186
Net Financial Assets (Net Debt)	0395 2,701,796
Non Financial Assets	
Tangible Capital Assets.....	0400 11,971,262
Inventory for Consumption.....	0410 40,268
Prepaid Expenses	0420
Other.....	0430
Total Non-Financial Assets	0440 12,011,530
Accumulated Surplus	0450 14,713,326

CHANGE IN ACCUMULATED SURPLUS

Schedule 9B

		Unrestricted	Restricted	Equity in TCA	Total
		1	2	3	4
Accumulated Surplus - Beginning of Year	0500	1,758,032	1,137,730	11,499,712	14,395,474
Net Revenue (Expense)	0505	317,852			317,852
Funds Designated For Future Use.....	0511				
Restricted Funds - Used for Operations.....	0512				
Restricted Funds - Used for TCA.....	0513				
Current Year Funds Used for TCA	0514	-1,116,112		1,116,112	
Donated and Contributed TCA.....	0516				
Disposals of TCA.....	0517	54,000		-54,000	
Annual Amortization Expense.....	0518	590,562		-590,562	
Long Term Debt - Issued.....	0519				
Long Term Debt - Repaid.....	0521				
Capital Debt - Used for TCA.....	0522				
	0523				
Other Adjustments.....	0524				
Accumulated Surplus - End of Year.....	0525	1,604,334	1,137,730	11,971,262	14,713,326

FINANCIAL ACTIVITIES BY FUNCTION

Schedule 9C

	Revenue 1	Expense 2
Total General	0700 831,859	
Function	0710	1150
General Government	0720	1160
Council and Other Legislative	0730	1170 65,529
General Administration	0740 414,989	1180 368,971
Other General Government.....	0750	1190
Protective Services	0760	1200
Police	0770	1210 11,414
Fire	0780 17,639	1220 77,167
Disaster and Emergency Measures	0790	1230 2,500
Ambulance and First Aid	0800	1240
Bylaws Enforcement	0810	1250 32,557
Other Protective Services.....	0820	1260
Transportation	0830	1270
Common and Equipment Pool	0840	1280 126,979
Roads, Streets, Walks, Lighting	0850 59,471	1290 336,254
Airport	0860 465	1300 9,639
Public Transit	0870	1310
Storm Sewers and Drainage	0880	1320
Other Transportation	0890	1330
Environmental Use and Protection	0900	1340
Water Supply and Distribution	0910 374,851	1350 497,990
Wastewater Treatment and Disposal	0920 536,369	1360 170,751
Waste Management	0930 113,771	1370 144,195
Other Environmental Use and Protection	0940	1380
Public Health and Welfare	0950	1390
Family and Community Support	0960	1400
Day Care	0970	1410
Cemeteries and Crematoriums	0980 1,743	1420
Other Public Health and Welfare	0990	1430
Planning and Development	1000	1440
Land Use Planning, Zoning and Development	1010 27,715	1450 10,764
Economic/Agricultural Development	1020	1460 14,295
Subdivision Land and Development	1030	1470
Public Housing Operations	1040	1480
Land, Housing and Building Rentals	1050	1490
Other Planning and Development.....	1060	1500
Recreation and Culture	1070	1510
Recreation Boards	1080	1520
Parks and Recreation	1090 48,068	1530 239,083
Culture: Libraries, Museums, Halls	1100	1540
Convention Centres	1110	1550
Other Recreation and Culture.....	1120	1560
Other Utilities	1125	1565
Gas	1126	1566
Electric	1127	1567
Other	1130	1570 1,000
Total Revenue/Expense	1140 2,426,940	1580 2,109,088
Net Revenue/Expense		1590 317,852

FINANCIAL ACTIVITIES BY TYPE / OBJECT

Schedule 9D

		Total
		1
Revenues	1700	
Taxation and Grants in Place	1710	
. Property (Net Municipal)	1720	831,859
. Business	1730	
. Business Revitalization Zone	1740	
. Special	1750	
. Well Drilling	1760	
. Local Improvement	1770	
Sales To Other Governments	1790	
Sales and User Charges	1800	534,553
Penalties and Costs on Taxes	1810	12,892
Licenses and Permits	1820	8,820
Fines	1830	
Franchise and Concession Contracts	1840	159,446
Returns on Investments	1850	29,646
Rentals	1860	43,003
Insurance Proceeds	1870	
Net Gain on Sale of Tangible Capital Assets	1880	
Contributed and Donated Assets	1885	
Federal Government Unconditional Transfers	1890	
Federal Government Conditional Transfers	1900	
Provincial Government Unconditional Transfers	1910	157,407
Provincial Government Conditional Transfers	1920	512,187
Local Government Transfers	1930	52,940
Transfers From Local Boards and Agencies	1940	80,517
Developer Agreements and Levies	1960	
Other Revenues	1970	3,670
Total Revenue	1980	2,426,940
Expenses	1990	
Salaries, Wages, and Benefits	2000	479,999
Contracted and General Services	2010	601,827
Purchases from Other Governments	2020	
Materials, Goods, Supplies, and Utilities	2030	329,354
Provision For Allowances	2040	
Transfers to Other Governments	2050	
Transfers to Local Boards and Agencies	2060	82,663
Transfers to Individuals and Organizations	2070	
Bank Charges and Short Term Interest	2080	
Interest on Operating Long Term Debt	2090	
Interest on Capital Long Term Debt	2100	
Amortization of Tangible Capital Assets	2110	590,562
Net Loss on Sale of Tangible Capital Assets.....	2125	1,000
Write Down of Tangible Capital Assets.....	2127	
Other Expenditures	2130	23,683
Total Expenses	2140	2,109,088
Net Revenue (Expense)	2150	317,852

REVENUE AND EXPENSE SUPPLEMENTARY DETAIL

Schedule 9E

		Revenue		Expenses	
		Sales and User Charges	Provincial Capital Transfers	Annual Amortization Expense	Capital Long Term Debt Interest Expense
		1	2	3	4
General Government	2200				
Council and Other Legislative	2210				
General Administration	2220	2,433	11,922	14,817	
Other General Government.....	2230				
Protective Services	2240				
Police	2250				
Fire	2260			31,056	
Disaster and Emergency Measures	2270				
Ambulance and First Aid	2280				
Bylaws Enforcement	2290				
Other Protective Services.....	2300				
Transportation	2310				
Common and Equipment Pool	2320				
Roads, Streets, Walks, Lighting	2330	20	59,357	112,814	
Airport	2340			5,629	
Public Transit	2350				
Storm Sewers and Drainage	2360				
Other Transportation	2370				
Environmental Use and Protection	2380				
Water Supply and Distribution	2390	281,440		215,196	
Wastewater Treatment and Disposal	2400	95,461	440,908	127,079	
Waste Management	2410	113,771		32,707	
Other Environmental Use and Protection	2420				
Public Health and Welfare	2430				
Family and Community Support	2440				
Day Care	2450				
Cemeteries and Crematoriums	2460	1,743			
Other Public Health and Welfare	2470				
Planning and Development	2480				
Land Use Planning, Zoning and Development	2490	25,238			
Economic/Agricultural Development	2500				
Subdivision Land and Development	2510				
Public Housing Operations	2520				
Land, Housing and Building Rentals	2530				
Other Planning and Development.....	2540				
Recreation and Culture	2550				
Recreation Boards	2560				
Parks and Recreation	2570	14,447		51,264	
Culture: Libraries, Museums, Halls	2580				
Convention Centres	2590				
Other Recreation and Culture.....	2600				
Other Utilities	2605				
Gas	2606				
Electric	2607				
Other	2610				
Total	2620	534,553	512,187	590,562	

TANGIBLE CAPITAL ASSETS SUPPLEMENTARY DETAIL

Schedule 9F

		Tangible Capital Assets		Capital Long Term Debt	
		Purchased	Donated or Contributed	Principal Additions	Principal Reductions
		1	2	3	4
General Government	2700				
Council and Other Legislative	2710				
General Administration	2720				
Other General Government.....	2730				
Protective Services	2740				
Police	2750				
Fire	2760				
Disaster and Emergency Measures	2770				
Ambulance and First Aid	2780				
Bylaws Enforcement	2790				
Other Protective Services.....	2800				
Transportation	2810				
Common and Equipment Pool	2820	55,500			
Roads, Streets, Walks, Lighting	2830	59,357			
Airport	2840	139,948			
Public Transit	2850				
Storm Sewers and Drainage	2860				
Other Transportation	2870				
Environmental Use and Protection	2880				
Water Supply and Distribution	2890				
Wastewater Treatment and Disposal	2900	861,307			
Waste Management	2910				
Other Environmental Use and Protection	2920				
Public Health and Welfare	2930				
Family and Community Support	2940				
Day Care	2950				
Cemeteries and Crematoriums	2960				
Other Public Health and Welfare	2970				
Planning and Development	2980				
Land Use Planning, Zoning and Development	2990				
Economic/Agricultural Development	3000				
Subdivision Land and Development	3010				
Public Housing Operations	3020				
Land, Housing and Building Rentals	3030				
Other Planning and Development.....	3040				
Recreation and Culture	3050				
Recreation Boards	3060				
Parks and Recreation	3070				
Culture: Libraries, Museums, Halls	3080				
Convention Centres	3090				
Other Recreation and Culture.....	3100				
Other Utilities	3105				
Gas	3106				
Electric	3107				
Other	3110				
Total	3120	1,116,112			

CHANGE IN TANGIBLE CAPITAL ASSETS

Schedule 9G

		Balance at Beginning of Year 1	Additions 2	Reductions 3	Balance at End of Year 4
Tangible Capital Assets - Cost					
Engineered Structures	3200				
Roadway Systems.....	3201	5,152,233	59,357		5,211,590
Light Rail Transit Systems.....	3202				
Water Systems.....	3203	7,389,445			7,389,445
Wastewater Systems.....	3204	4,006,533	1,025,854		5,032,387
Storm Systems.....	3205	43,580			43,580
Fibre Optics.....	3206				
Electricity Systems.....	3207				
Gas Distribution Systems.....	3208				
Total Engineered Structures	3210	16,591,791	1,085,211		17,677,002
Construction In Progress.....	3219	191,097	-191,097		
Buildings	3220	3,423,006	166,498		3,589,504
Machinery and Equipment	3230	1,360,550			1,360,550
Land	3240	369,515			369,515
Land Improvements.....	3245	785,751			785,751
Vehicles	3250	1,652,747	55,500	60,000	1,648,247
Total Capital Property Cost	3260	24,374,457	1,116,112	60,000	25,430,569
Accumulated Amortization					
Engineered Structures	3270				
Roadway Systems	3271	4,132,773	84,032		4,216,805
Light Rail Transit Systems	3272				
Water Systems	3273	2,865,406	184,736		3,050,142
Wastewater Systems	3274	1,431,510	125,810		1,557,320
Storm Systems	3275	39,861	109		39,970
Fibre Optics	3276				
Electricity Systems	3277				
Gas Distribution Systems	3278				
Engineered Structures	3280	8,469,550	394,687		8,864,237
Buildings	3290	1,581,651	74,636		1,656,287
Machinery and Equipment	3300	1,130,088	40,132		1,170,220
Land	3310				
Land Improvements.....	3315	624,848	19,560		644,408
Vehicles	3320	1,068,608	61,547	6,000	1,124,155
Total Accumulated Amortization	3330	12,874,745	590,562	6,000	13,459,307
Net Book Value of Capital Property	3340	11,499,712			11,971,262
Capital Long Term Debt (Net)	3350				
Equity in Tangible Capital Assets	3400	11,499,712			11,971,262

LONG TERM DEBT SUPPORT

Schedule 9H

		Operating Purposes 1	Capital Purposes 2	Total 3
Long Term Debt Support	3405			
Supported by General Tax Levies	3410			
Supported by Special Levies	3420			
Supported by Utility Rates	3430			
Other	3440			
Total Long Term Debt Principal Balance	3450			

LONG TERM DEBT SOURCES

Schedule 9I

		Operating Purposes 1	Capital Purposes 2	Total 3
Alberta Capital Finance Authority	3500			
Canada Mortgage and Housing Corporation	3520			
Mortgage Borrowing	3600			
Other	3610			
Total Long Term Debt Principal Balance	3620			

FUTURE LONG TERM DEBT REPAYMENTS

Schedule 9J

		Operating Purposes 1	Capital Purposes 2	Total 3
Principal Repayments by Year	3700			
Current + 1	3710			
Current + 2	3720			
Current + 3	3730			
Current + 4	3740			
Current + 5	3750			
Thereafter	3760			
Total Principal	3770			
Interest by Year	3780			
Current + 1	3790			
Current + 2	3800			
Current + 3	3810			
Current + 4	3820			
Current + 5	3830			
Thereafter	3840			
Total Interest	3850			

PROPERTY TAXES AND GRANTS IN PLACE

Schedule 9K

	Property Taxes 1	Grants - in Place 2	Total 3
Property Taxes	3900		
Residential Land and Improvements	3910	602,628	17,301
Non-Residential	3920		
Land and Improvements (Excluding M & E).....	3935	241,209	7,567
Machinery and Equipment	3950	28,550	
Linear Property	3960	148,850	
Railway	3970		
Farm Land	3980		
Adjustments to Property Taxes	3990		
Total Property Taxes and Grants In Place	4000	1,021,237	24,868
Requisition Transfers		4010	
Education			
Residential/Farm Land		4031	150,944
Non-Residential		4035	38,390
Seniors Lodges		4090	24,912
Other		4100	
Adjustments to Requisition Transfers		4110	
Total Requisition Transfers		4120	214,246
Net Municipal Property Taxes and Grants In Place		4130	831,859

GRANTS IN PLACE OF TAXES

Schedule 9L

	Property Taxes 1	Business Taxes 2	Other Taxes 3	Total 4
Federal Government	4200			
Provincial Government	4210	24,868		24,868
Local Government	4220			
Other	4230			
Total	4240	24,868		24,868

DEBT LIMIT

Schedule 9AA

		1
Debt Limit	5700	2,751,354
Total Debt	5710	
Debt Service Limit	5720	458,559
Total Debt Service Costs	5730	

Enter prior year Line 3450 Column 2 balance here:

GRANT AND DEFERRED GRANT REVENUE SCHEDULE

Schedule 9P

Cash and Temporary Investments	8820	2,486,443
Restricted Cash by Grant		
Municipal Sustainability Initiative Capital	8825	
Municipal Sustainability Initiative Operating	8826	
Federal Gas Tax Fund	8827	28721
Alberta Community Partnership- Intermunicipal Collaboration	8828	
Alberta Community Partnership- Municipal Restructuring	8829	
Alberta Community Partnership- Mediation and Cooperative Processes	8830	
Alberta Community Partnership- Municipal Internship	8831	
Alberta Community Partnership- Local Land Use Planning	8832	
Alberta Community Partnership- Strategic Initiative	8833	
Alberta Community Partnership- Regional Collaboration Program	8834	
Other Grants	8835	
Total Restricted Cash	8865	28721
Unrestricted Cash	8870	2,457,722
Accounts Recievable - Grants	8872	
Deferred Revenue	8875	28,771
Deferred Revenue by Grant		
Municipal Sustainability Initiative Capital	8880	
Municipal Sustainability Initiative Operating	8881	
Federal Gas Tax Fund	8882	28721
Alberta Community Partnership- Intermunicipal Collaboration	8883	
Alberta Community Partnership- Municipal Restructuring	8884	
Alberta Community Partnership- Mediation and Cooperative Processes	8885	
Alberta Community Partnership- Municipal Internship	8886	
Alberta Community Partnership- Local Land Use Planning	8887	
Alberta Community Partnership- Strategic Initiative	8888	
Alberta Community Partnership- Regional Collaboration Program	8889	
Other Grants	8890	
Other Deferred Revenue	8899	50

EDIT LIST - PLEASE REVIEW AND CORRECT ANY ERRORS NOTED BELOW